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INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

RUCNIRA/IRAN COLLECTIVE PRIORITY

RUEHFL/AMCONSUL FLORENCE PRIORITY 0873

RUEHMIL/AMCONSUL MILAN PRIORITY 6308

RUEHNP/AMCONSUL NAPLES PRIORITY 0922

RUCNDT/USMISSION USUN NEW YORK PRIORITY 0411

RUEHBS/USEU BRUSSELS PRIORITY 4322

C O N F I D E N T I A L SECTION 01 OF 02 ROME 000241

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TAGS: PREL PTER IAEA IT IR

SUBJECT: ITALY PROTESTS IRAN DECISIONMAKING PROCESS

REF: STATE 11254

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Classified By: DCM Anna M. Borg for reasons 1.4 (b) and (d)

Summary

¶11. (C) The GOI January 25 expressed concern about the upcoming London meeting on Iran and the emergence of a P6 format for decisionmaking on the issue. To drive home its unhappiness about being sidelined, the GOI had blocked EU agreement that same day on EU-3 draft language regarding Iran. While Italy agreed on the substance of referring Iran to the UNSC, it could not accept that the EU-3 had arrogated to themselves, without consulting key stakeholders like Italy, decisionmaking on Iran and other regional issues. Noting the P5 plus one (Germany) meeting scheduled January 30 in London, Political Director Giulio Terzi said the UK was the main opponent to adding Italy to the Iran policy discussions. But Italy had a significant interest and would be insisting; in fact, there had been a difficult discussion in Brussels that day. Terzi said the GOI PermRep had maintained that the EU communique should refer to an agreed position by all 25 EU states, to which the EU-3 had objected. Terzi said that if there was no EU agreement on language by January 30, it would undermine EU-3 credibility. The political director's presentation follows a steady build-up in recent months of Italian concern about the EU-3 format. This now appears to have boiled over and, absent changes, could herald a wider tussle within the EU over the structure and coordination of decisionmaking on key external affairs issues. End summary.

Iran: EU-3 Alone Can't Decide for EU

¶12. (C) MFA Political Director Giulio Terzi, acting on Foreign Minister Gianfranco Fini's instructions, January 25 requested an urgent meeting with the Ambassador to discuss Iran. The meeting took place in the Ambassador's office, DCM and POL M/C attended. Terzi came alone. The political director said the Italian charge in Washington would also be calling on EUR PDAS Volker later in the same day.

¶13. (C) Terzi expressed concern about the emergence of a P6 format for decisionmaking on next steps with Iran, citing the Group of Six meeting called for London on Monday to discuss next steps with Iran and the UNSC. He said the GOI's concern about this meeting was not about the substance of confronting Iran, or referring it to the UNSC, with which it was in

complete agreement, but with the structure and distribution of responsibilities for decisionmaking within the EU on important issues of external affairs. Italy could not concede a blank check on key external issues, where its interests were engaged, for three EU countries to act as interlocutors for the others without consultation.

¶4. (C) And now, Terzi said, the P5 had become a P6 grouping for discussions on Iran. This, in the Italian view, was extremely damaging. Italy's views carried some weight in Iran (Comment: Italy is Iran's largest EU trading partner. End Comment). FM Fini had addressed the need to form a consultative group that doesn't exclude Italy, in meetings two days before in Washington with both the Secretary and the Vice President.

¶5. (C) Terzi recalled that the US had played a key role in securing Italy's inclusion in the Balkan Contact Group. He stressed again the GOI concern was not with the substance of the Iran UNSC referral issue, but that it could not accept that the EU-3 arrogate to themselves EU decisionmaking on key issues. Terzi said UK opposition to including Italy in discussions was at the heart of the issue. But the GOI was insisting. He noted there had been a very difficult conversation earlier in the day among the European Union perm reps on this issue.

¶6. (C) The Ambassador told Terzi that Italy's support for UNSC referral was important, and said he would report GOI concerns on policy coordination.

Failure to Agree on Language Will Undermine EU-3 Credibility

¶7. (C) As POL M/C escorted Terzi out, the political director elaborated that the Brussels PermReps had been discussing

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language on Iran for a draft communique (Note: presumably in preparation for the January 30 meeting of the General Affairs and External Relations Council (GAERC). End Note). The Italian perm rep, according to Terzi, had said the communique needed to refer explicitly to the agreement of all 25 EU nations, and the EU-3 had objected to this.

¶8. (C) POL M/C asked if that meant Italy would not agree to the communique language absent agreement on that phrase. Terzi said yes, and pointedly added that, if there was no agreement by January 30, it would affect the credibility of the EU-3. Terzi said the problem went beyond the immediate issue of Iran. When the EU-3 met, they discussed other important regional issues as well. This had the effect of taking EU decisionmaking on external affairs outside established channels.

Comment

¶9. (C) The political director's presentation follows a steady build-up in recent months of Italian concern about the EU-3 format. This now appears to have boiled over and, the quick, three-pronged GOI response to the London meeting (in Brussels, Washington, Rome) suggests the GOI is not going to let go easily. Absent changes, then, this could herald a wider tussle within the EU over the structure and coordination of decisionmaking on key external affairs issues. Italy is unlikely to stand in the way of a UNSC referral, since the GOI is in complete accord on the substance. But it looks ready to rumble with its EU partners over the structure of EU decisionmaking and coordination on Iran and other key regional issues. End Comment.

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